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May 7, 2004

VIA HAND DELIVERY

Deborah Tate, Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37219

Re:

Petition of Chattanooga Gas Company for Approval of Adjustment

of its Rates and Charges and Revised Tariff

Docket Number 04-00034

Dear Chairman Tate:

Enclosed you will find the original and thirteen copies of Chattanooga Gas Company's Motions to Compel discovery from the Consumer Advocate & Protection Division and the Chattanooga Manufacturer's Association, respectfully; in the above referenced case.

Please contact me if you have any questions.

Sincerely,

D. Billye Sanders

Attorney for Chattanooga Gas Company

J. Beline Sender

DBS/hmd Enclosures

cc:

Parties of record Archie Hickerson Steve Lindsey John Ebert, Esq. Elizabeth Wade, Esq.

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

| T.R.A. | DOCKET | ROOM |
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| IN RE: |) | Docket No. 04-00034 | |
| PETITION OF CHATTANOOGA GAS |) | | |
| COMPANY FOR APPROVAL OF |) | | |
| ADJUSTMENT OF ITS RATES AND |) | | |
| CHARGES AND REVISED TARIFF |) | | |
| | | | |

MOTION TO COMPEL DISCOVERY RESPONSES FROM INTERVENOR CHATTANOOGA MANUFACTURERS ASSOCIATION

COMES NOW Petitioner Chattanooga Gas Company (the "Company"), pursuant to Rule 1220-1-2-.09 of the Tennessee Regulatory Authority ("TRA") and Rule 37 of the Tennessee Rules of Civil Procedure, and hereby files this Motion to Compel Discovery Responses from Intervenor Chattanooga Manufacturers Association ("CMA").

RESPONSES TO GENERAL OBJECTIONS

CMA General Objection No. 6: CMA objects to the Company's data requests to the extent that they seek information and documents that are readily available through public sources or are in the Company's own possession, custody or control. It is unduly burdensome and oppressive to require CMA to respond or produce documents that are equally or more available to the Company.

Response: This is not a valid basis for objection. The fact that a document may appear in a public record does not necessarily mean that it is accurate or that

CMA verifies it to be accurate or responsive to the Company's inquiry. CMA has reason to know where documents are located that pertain to the organization. It is inappropriate to expect the Company to answer questions on behalf of CMA.

CMA General Objection No. 7: CMA objects to the production of any documents prepared by it subsequent to the filing of this litigation or contested case.

Response: This objection is unduly broad and unsubstantiated. See Tennessee Rules of Civil Procedure Rule 26.02(3).

REASONS TO COMPEL SPECIFIC DISCOVERY REQUESTS

With regard to objections made to specific data requests, the Company provides the reasons supporting its Motion to Compel:

Request No. 1: Please provide the name, address, telephone number and name of the president or other comparable officer of each member of the CMA.

Response No. 1: Subject to and without waiving its objections, CMA provides to the Company a reference to CMA's member companies which can be found at, generally speaking, www.cma1902.com/members.

Reasons to Compel: CMA's answer is not responsive to the Company's request. The membership listing provided on the web site may be inaccurate or outdated, and it does not provide all the information requested.

Request No. 2: Please provide a copy of the organizational document creating the CMA, e.g., the Charter or Articles of Organization.

Response No. 2: CMA objects on the grounds that Request No. 2 is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Further, the requested document is a public record available to Petitioner through the Tennessee Secretary of State's Office.

Reasons to Compel: The requested information is both relevant and reasonably calculated to lead to admissible evidence. Further, even if the information requested were a public record, that is not a proper basis for objection to its discovery.

Request No. 3: Please provide a copy of the Bylaws of CMA or other comparable documents pertaining to governance.

Response No. 3: CMA objects to Request No. 3 on the grounds that it is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. CMA further objects on the grounds that Request No. 3 is vague and ambiguous with respect to the phrase "other comparable documents pertaining to governance."

Reasons to Compel: The requested information is both relevant and reasonably calculated to lead to admissible evidence. Specifically, the information sought will disclose how the association is governed and what individual or governing body is authorized to make decisions on its behalf. Further, the term "other comparable documents pertaining to governance" is neither vague nor ambiguous. For example, a corporation or an unincorporated association has

bylaws. However, a limited liability company generally has a comparable document pertaining to governance called an operating agreement.

Request No. 4: Please describe how CMA determines what positions it will take in the Chattanooga Gas Company rate proceeding, TRA Docket No. 04-00034. Your description should include whether all the members vote on what positions are taken or whether this authority is delegated to others.

Response No. 4: CMA objects to Request No. 4 on the grounds that it is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. CMA further objects on the grounds that Request No. 4 encroaches upon the attorney-client privilege and seeks the mental conclusions and impressions of its attorneys, which are privileged and will not be provided. Subject to and without waiving its objections, CMA intends to provide the following general description concerning its intervention and opposition to the increase in rates which Chattanooga Gas Company would prefer be unchallenged and unfettered: CMA considers the Petition filed, newspaper articles, comments from its members and other available information, and based upon all of the above makes a decision (through its Board of Directors) whether to seek authorization from the Tennessee Regulatory Authority to intervene. CMA has in the past retained the assistance of counsel and expert witnesses related to the regulated industry to assist it in understanding the requests made in the Petition, to counsel CMA with respect to the positions it should take and to assist in any challenge or opposition to the requested relief (including opposing increases and rates) if that is appropriate.

Reasons to Compel: The information sought is reasonably calculated to lead to admissible evidence. The Company requests that the CMA identify the members of its board of directors.

Request No. 5: Please list the names of CMA members that have obtained gas pursuant to CGCs industrial tariffs within the last fifteen months, i.e., January 1, 2003 through March 31, 2004.

Response No. 5: CMA objects to Request No. 5 on the grounds that the information requested is within the custody and control of the Gas Company, not CMA, and, therefore, is unduly burdensome and oppressive. In fact, CMA requested similar information from the Company at the commencement of this rate increase petition, which the Company refused to provide to CMA.

Reasons to Compel: This request is not unduly burdensome or oppressive. The information is reasonably calculated to lead to the discovery of admissible evidence. This information is within the knowledge of the CMA membership.

Request No. 6: Please list the names of members of CMA who have subscribed to CGCs commercial tariffs within the last fifteen months, i.e., January 1, 2003 through March 31, 2004. Response No. 6: See No. 5 above and General Objection No. 6.

Response No. 6: See No. 5 above and General Objection No. 6.

Reasons to Compel: This request is not unduly burdensome or oppressive. The information is reasonably calculated to lead to the discovery of

admissible evidence. This information is within the knowledge of the CMA membership.

Request No. 7: Please list the names of members of CMA who are not currently customers of CGC.

Response No. 7: CMA objects to Request No. 7 on the grounds that it is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. See also General Objection No. 6.

Reasons to Compel: This request is not unduly burdensome or oppressive. The information is reasonably calculated to lead to the discovery of admissible evidence. This information is within the knowledge of the CMA membership

Request No. 8: Please list any CMA members who do not anticipate being customers of CGC during the period July 26, 2004 through July 5, 2005.

Response No. 8: CMA objects to Request No. 8 on the grounds that it calls for speculation. CMA has no way of anticipating which members will (or will not) remain customers of the Company, as this is influenced by a variety of factors—including, but not limited to—increases in gas rates and other gas-related charges which could force the companies to shut down, relocate or become bankrupt during the stated period.

Reasons to Compel: This request does not require speculation. It is within the knowledge of the CMA membership. The inquiry is reasonably calculated to lead to the discovery of admissible evidence.

Request No. 9: Provide detailed workpapers, cross-referenced to source documents, which show the computation of each amount of any exhibit that is to be filed by the Chattanooga Manufacturers Association that is different from the corresponding amount presented on Chattanooga Gas Company's exhibits filed in this docket.

Response No. 9: CMA objects to Request No. 9 as being over-broad, vague, ambiguous and unduly burdensome. Subject to and without waiving all objections, CMA states that, at this time, experts have not been determined for the testimony at trial, and CMA will identify experts, if any, within the time limits and requirements set forth by the scheduling order in this and appropriately supplement its response to this discovery request. CMA further states that it historically has supplied relevant and appropriate materials in conjunction with expert testimony in rate-making cases and intends to cooperate with respect to discovery in this rate-making case as well, to the extent CMA designates witnesses and pre-filed testimony.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations. The Company further reserves the right to propound additional discovery after CMA's testimony is filed. At that time, the Company will be in a position to more narrowly frame its questions.

Request No. 11: Produce copies of all documents or things shown to, delivered to, received from, relied upon or prepared by any witness that may appear on behalf of the Chattanooga Manufacturers Association in any hearing in this docket, which are related to the witness(es)' expected testimony in this case, whether or not such documents are supportive of such testimony, including without limitation all documents or things provided to that witness for review in connection with testimony and opinions.

Response No. 11: CMA objects to Request No. 11 on the grounds that it is overbroad, unduly burdensome and duplicative. Subject to and without waiving its objections, CMA anticipates it may call at least one expert witness who will have reviewed materials submitted by the Company, Consumer Advocate Division, TRA staff and/or others prior to testifying in this matter (and, if so, will pre-file testimony). Additionally, CMA objects to Request No. 11 on those grounds that it encroaches upon the attorney-client privilege and/or seeks the mental impressions and conclusions of CMA attorneys, which are privileged and will not be provided.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations. The Company further reserves the right to propound additional discovery after CMA's testimony is filed. At that time, the Company will be in a position to more narrowly frame its questions.

Request No. 12: Produce a copy of all documents which relate or pertain to any factual information provided to, gathered by, utilized or relied upon by any witness that may appear on behalf of the Chattanooga Manufacturers Association in any hearing in this docket in evaluating, reaching conclusions or formulating an opinion in this matter.

Response No. 12: See Objection No. 11, above. CMA further objects to Request No. 12 to the extent that it seeks the identification of all documents which "relate or pertain" to any factual information utilized or relied upon by proposed experts, as it is impossible to respond to such a broad question.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations. The Company further reserves the right to propound additional discovery after CMA's testimony is filed. At that time, the Company will be in a position to more narrowly frame its questions.

Request No. 13: Produce copies of any and all testimony and exhibits entered in any proceeding pertaining to a regulated utility by any witness that may appear on behalf of the Chattanooga Manufacturers Association in any hearing in this docket.

Response No. 13: CMA objects to Request No. 13 on the grounds that it is overly broad and unduly burdensome in seeking "any and all testimony and exhibits" from "any proceeding pertaining to a regulated utility" by witnesses that

may appear on behalf of CMA. Subject to and without waiving its objections, CMA intends to continue the generally accepted practice of providing to the Petitioner a list of proceedings in which any expert witness CMA intends to call has provided testimony pertaining to a regulated utility.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

Request No. 14: Produce a copy of all articles or papers written by or cowritten by any witness that may appear on behalf of the Chattanooga Manufacturers Association in any hearing in this docket, whether published or not.

Response No. 14: CMA objects to Request No. 13 on the grounds that it is overly broad and unduly burdensome in seeking "all articles or papers written or cowritten by the witness" by witnesses that may appear on behalf of CMA. Subject to and without waiving the objection, CMA intends to continue the generally accepted practice providing to the petitioner a list of proceedings in which any expert witness CMA intends to call has provided testimony pertaining to a regulated utility.

Reasons to Compel: The answer is unresponsive.

Request No. 15: Produce copies of all stipulations or settlement agreements entered into by the Chattanooga Manufacturers Association in any proceeding before the Tennessee Regulatory Authority since 1996.

Response No. 15: CMA objects to Request No. 15 on the grounds that it is irrelevant, overly broad, unduly burdensome, vague, ambiguous, and that stipulations or agreements, if any, entered into by CMA and accepted by the Tennessee Regulatory Authority are public records equally or more available to the Company.

Reasons to Compel: The requested information is not irrelevant, overly broad, unduly burdensome, or vague. Furthermore, the requested information is not equally or more available to the Company; it is more appropriately available from CMA. The fact that such information is public record is not a proper basis for objection. See Response to General Objection No. 6.

Request No. 16: If the Chattanooga Manufacturers Association proposes a rate design that is different from the design proposed by Chattanooga Gas Company, produce copies of all workpapers, cross-referenced to source documents, which support the Chattanooga Manufacturers Association proposed rate design.

Response No. 16: See General Objection No. 2; subject to and without waiving all objections, none at this time.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

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Request No. 17: If the Chattanooga Manufacturers Association intends to introduce a class cost of service study in this docket, provide the complete study including all workpapers cross-referenced to source documents.

Response No. 17: See General Objection No. 2; subject to and without waiving all objections, none at this time.

Reasons to Compel. As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

Request No. 18: If the Chattanooga Manufacturers Association intends to introduce a class cost of service study in this docket, provide the complete study including all workpapers cross-referenced to source documents.

Response No. 18: See General Objection No. 2; subject to and without waiving all objections, none at this time.

Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

Request No. 19: If the Chattanooga Manufacturers Association intends to introduce a class cost of service study in this docket, provide a copy of each such study prepared during the past five years by the witness that will enter testimony relative to the study in this docket.

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Response No. 19: CMA objects to Request No. 19 on the grounds that it is ambiguous as to the term "each such study" irrelevant and not reasonably calculated to lead to the discovery of admissible evidence, overbroad and unduly burdensome, especially as to class cost of service studies other than those for Chattanooga Gas Company rate increase cases. Additionally, CMA has no control over what may be proprietary information for entities or individuals other than CMA.

Reasons to Compel: The request is relevant and reasonably calculated to lead to the discovery of admissible evidence. The Company does not believe the request is ambiguous. "Each such study" refers to any class cost of service study that CMA's witness has prepared in the last 5 years. To the extent that CMA needs further clarification of the request, the Company is willing to provide the same. A protective order has been entered in this docket to protect against public disclosure of proprietary information.

Request No. 20: Produce copies of all documents or workpapers, prepared by or provided to any witness that may appear on behalf of the Chattanooga Manufacturers Association in any hearing in this docket that relate to the volume of gas projected to be purchased or transported during the July, 2004 - June, 2005 attrition period by any member of the Chattanooga Manufacturers Association

Response No. 20: See General Objection No. 2; subject to and without waiving all objections, none at this time.

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Reasons to Compel: As per Rule 26.05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

Request No. 21: Please provide the name, employer, position/title, business address and telephone number of any witness(es) that will testify on behalf of CMA in this docket.

Response No. 21: CMA objects to Request No. 21 on the grounds that it encroaches upon the attorney-client privilege and seeks the mental impressions and conclusions of its attorneys, which are privileged and will not be provided. CMA further objects on the grounds that Request No. 21 is premature, in that testimony is not yet due from CMA, who was only granted intervention status into this docket after a hearing on April 19, 2004. Subject to and without waiving its objections, CMA intends to determine whether it will need to file testimony, and, if so, will file testimony containing the requested information on or before the deadline set forth in the Scheduling Order.

Reasons to Compel: The identity of witnesses is not privileged. As per Rule 26 05 of the Tennessee Rules of Civil Procedure, CMA is under a continuing obligation to supplement its discovery responses. The Company reserves its right to file an additional motion to compel if CMA fails to meet its obligations.

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Respectfully Submitted,

Chattanooga Gas Company

Bv:

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